

BONDED INDEBTEDNESS

Fiscal Year 1971

	Bonds Outstanding 6/30/70	%	Bonds Issued During Year	%	Bonds Redeemed During Year	%	Interest Paid During Year	%	Bonds Outstanding 6/30/71	%	Bonds Authorized But Unissued 6/30/71*	%
GENERAL OBLIGATION BONDS:												
General Construction Bonds	\$165,965,148	29	\$45,735,000	23	\$17,813,269	42	\$ 5,321,405	26	\$193,886,879	27	\$279,912,964	38
Local Purpose and Other Bonds	182,335,000	32	99,880,000	51	8,560,000	20	6,974,422	34	273,655,000	38	235,382,943	31
General Public School Construction Bonds	181,001,000	32	40,105,000	21	15,453,000	37	6,465,460	32	205,653,000	29	166,025,000	22
State Agency and Political Subdivision Bonds	38,913,852	7	9,000,000	5	276,731	1	1,496,809	8	47,637,121	6	64,250,000	9
TOTAL GENERAL OBLIGATION BONDS	\$568,215,000	100	\$194,720,000	100	\$42,103,000	100	\$20,258,096	100	\$720,832,000	100	\$745,570,907	100
STATE ROADS COMMISSION OF MARYLAND (SPECIFIC TAX REVENUE BONDS):												
State Highway Construction Bonds	\$266,300,000	92			\$19,600,000	89	\$ 9,000,375	93	\$246,700,000	91	\$113,300,000	100
County Highway Construction Bonds†	22,704,000	8	\$ 4,665,000	100	2,466,000	11	716,719	7	24,903,000	9		
TOTAL LIMITED OBLIGATION BONDS	\$289,004,000	100	\$ 4,665,000	100	\$22,066,000	100	\$ 9,717,094	100	\$271,603,000	100	\$113,300,000	100

The tax supported Public Debt of the State of Maryland is divided into two major categories: General obligation bonds that carry the full faith and credit of the State; and limited obligation bonds issued by the State Roads Commission and payable out of highway revenue. Both of these categories of bonds are redeemed over a period of fifteen years and are well secured by dedicated revenues. However, under the 1964 legislative enactment of the Hospital Construction Loan participating voluntary non-profit hospitals are to repay these loans to the State over a period of forty years and the funds necessary to cover the resultant difference between bond redemption and loan repayment are obtained from the State's property tax levy.

Other enactments by the General Assembly have authorized repayable loans for Area Redevelopment, Airport Redevelopment, and Sanitary Facilities and Sewer Construction. These loans are to be repaid to the State over periods from 15 to 30 years. Of the total bonds outstanding at 6/30/71 \$48,156,000 is represented by loans that will be repaid to the State.

Along with the authorization of the Outdoor Recreation Land Loan of 1969, the General Assembly enacted an additional one-half of one percent upon every written instrument conveying Title to Real Property offered for record and recorded in the State for redemption of

- On bonds issued for the Maryland Port Authority, payments of principal and interest is made to the State from the ¾ of 1% distribution of Corporation Income Tax.
- On bonds issued covering construction for the Department of Employment Security, payment of principal and interest is made to the State from annual rent received from the United States Department of Labor.
- If there is not enough revenue from sources indicated in paragraphs one thru three above to cover principal and interest, the difference must be included by the State in the Real and Personal Property Tax levy. All monies received from the State Real and Personal Property Taxes and all payments received from State Agencies and Political Subdivisions as outlined above are placed in the Annuity Bond Fund which is set up with a separate account for each Bond Act enacted by the General Assembly. All principal and interest on General Obligation Bonds is paid from this fund.

State Roads Commission Bonds are limited obligation bonds and